

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the Matter of the Application of OKT) Docket No: 18-CONS-3365-CMSC
Resources, LLC (“Operator”) for an)
Operator’s License Renewal.) CONSERVATION DIVISION
)
_____) License No. 33523

ORDER DENYING APPLICATION FOR LICENSE

The above captioned matter comes before the State Corporation Commission of the State of Kansas (“Commission”). Having examined its files and records, and being fully advised in the premises, the Commission makes the following findings and conclusions:

I. JURISDICTION

1. Pursuant to K.S.A. 55-155, the Commission is authorized to license operators and contractors as defined by K.S.A. 55-150.
2. K.S.A. 55-155 and K.A.R. 82-3-120 outline requirements of the Applicant seeking a license or renewed license.

II. STATEMENT OF FACTS

3. On September 28, 2017, in Docket No. 18-CONS-3154-CPEN, the Commission issued a *Penalty Order* against the Operator for violation of K.A.R. 82-3-107 and K.A.R. 82-3-130, ordering the Operator to pay a \$500 penalty and submit a complete and accurate well completion report and associated documents.¹ The record reflects that the Operator did not request a hearing on the *Penalty Order*. Pursuant to the *Penalty Order*, if the Operator did not comply with

¹ *Penalty Order* at 3, *In the Matter of the Failure of OKT Resources, LLC (“Operator”) to Comply with K.A.R. 82-3-107 and K.A.R. 82-3-130 at the Bletscher #1 in Riley County, Kansas*, Docket No. 18-CONS-3154-CPEN (Sept. 28, 2017).

the provisions therein, the Operator's license was to be suspended without further notice.² The Commission takes official notice of Docket No. 18-CONS-3154-CPEN.

4. The Operator did not pay the \$500 penalty or submit a complete and accurate well completion report and associated documents. The Operator's license was therefore suspended on October 30, 2017, pursuant to the terms of the *Penalty Order*.³

5. On January 8, 2018, the Operator submitted an Application for license renewal.

6. Staff did not renew the Operator's license administratively in light of the Operator's suspended license.

7. On March 15, 2018, the Conservation Division mailed the Operator a letter notifying the Operator of the aforementioned deficiencies in its Application and requiring the Operator's response by March 30, 2018. A copy of the letter is attached to this Order as Exhibit A and is incorporated herein by reference. To date, the Operator has not provided a response.

III. FINDINGS AND CONCLUSIONS

8. In light of the Operator's suspended license, the Commission finds the Operator's Application does not meet the requirements of K.S.A. 55-155(c)(4) and K.A.R. 82-3-120.

9. Pursuant to K.A.R. 82-3-120(i), the Commission's denial of the Operator's Application for license renewal constitutes a summary proceeding under K.S.A. 77-537.

THEREFORE, THE COMMISSION ORDERS THAT:

A. The Operator's license renewal Application is denied.

B. Pursuant to K.S.A. 77-537 and 77-542, any party may request a hearing on the above issues by submitting a written request, setting forth the specific grounds upon which relief is sought, to the Commission's Secretary, at 266 N. Main, Suite 220, Wichita, Kansas 67202 within

² *Id.*

³ *Id.*

fifteen (15) days from the date of service of this Order. If service is by certified mail, service is complete upon the date delivered shown on the Domestic Return Receipt. If no hearing is requested, this summary order shall become final and effective upon the expiration of the time for requesting a hearing.

C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 06/14/2018



Lynn M. Retz
Secretary to the Commission

Mailed Date: 06/15/2018

LW

STATE OF KANSAS



CORPORATION COMMISSION
CONSERVATION DIVISION
266 N. MAIN ST., STE. 220
WICHITA, KS 67202-1513

PHONE: 316-337-6200
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GOVERNOR JEFF COLYER, M.D.
SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | PAT APPLE, COMMISSIONER

ACTION REQUIRED: POSSIBLE LICENSE DENIAL

March 15, 2018

David M. Boyce
OKT Resources, LLC
1900 E. 15th, Building 600 STE E
Edmond, Oklahoma 73013

RE: License #33523

Operator:

Commission Staff is in receipt of your January 8, 2018, license renewal application. Available records indicate that your license is currently suspended for non-compliance with a Commission order in KCC Docket 18-CONS-3154-CPEN.

Under K.S.A. 55-155(c)(4), no application or renewal shall be approved until the applicant has demonstrated to the Commission's satisfaction that the operator complies with all requirements of K.S.A. Chapter 55, all rules and regulations adopted thereunder, and all Commission orders and enforcement agreements.

Staff cannot approve your application at this time. If the underlying compliance issue is not resolved by March 30, 2018, then Staff shall recommend to the Commission that your license renewal application be denied. Upon resolution of the underlying compliance issue, please promptly contact me at the number listed above, so that I can confirm it has been resolved.

If you believe Staff's determination that your license is and should be suspended is in error, please provide appropriate clarifying information by March 30, 2018, so that Staff may consider such information before deciding whether to recommend denial of your application.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Borst".

Nancy Borst
Administrative Specialist
Licensing Department

CERTIFICATE OF SERVICE

18-CONS-3365-CMSC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 06/14/2018.

DAVID M. BOYCE
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/S/ DeeAnn Shupe

DeeAnn Shupe